AMENDED IN SENATE AUGUST 30, 2010
AMENDED IN SENATE AUGUST 20, 2010
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AMENDED IN ASSEMBLY MARCH 10, 2010

CALIFORNIA LEGISLATURE—2009-10 REGULAR SESSION

## ASSEMBLY BILL

No. 1741

## **Introduced by Assembly Member Coto**

February 8, 2010

An act to amend Sections 47605 and 47607 of, and to add Chapter 4.5 (commencing with Section 415) to Part 1 of Division 1 of Title 1 of, the Education Code, relating to school districts public schools.

## LEGISLATIVE COUNSEL'S DIGEST

AB 1741, as amended, Coto. School districts. Low-performing schools: English learners.

(1) Existing law authorizes one or more persons seeking to establish a charter school within a school district to submit a petition to the governing board of the school district for review. The governing board may deny the petition if it makes certain findings.

This bill would also authorize a governing board to deny a petition for the establishment of a charter school if the petitioner reasonably expects that at least 15% of the pupils who will be served by the school will be English learners, and the petition does not contain a reasonably comprehensive description of certain program requirements relating to

AB 1741 -2-

the needs of English learners. The bill would also require the entity that granted the charter, prior to renewing it, to consider the degree to which the school implemented those programs in determining whether the school's academic performance is at least equal to that of the other schools in the school district.

<del>(2)</del>

(1) Existing law requires the governing board of a school district, county superintendent of schools, or the governing body of a charter school or its equivalent to implement one of 4 specified intervention options for schools identified by the Superintendent of Public Instruction as persistently lowest-achieving, as specified. Existing law establishes the Immediate Intervention/Underperforming Schools Program, which is a voluntary program in which underperforming schools may participate for the purpose of improving pupil achievement.

This bill would require that if a school district or charter school authorizer intervenes to turn around a persistently lowest-achieving school, including a charter school, as specified, or if a school, including a charter school, is eligible to be included in the Immediate Intervention/Underperforming Schools Program, and that school has pupils who are English learners, the school district or authorizer take certain actions relating to the provision of services for English learners. The bill also would include a legislative finding and declaration that a school may already have satisfied the requirements specified in the bill by completing and obtaining approval of a school plan, as specified, for purposes of allocating economic impact aid funds. Because the bill would increase the duties of school districts, it would impose a state-mandated local program.

(3)

(2) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to these statutory provisions.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: yes.

-3- AB 1741

The people of the State of California do enact as follows:

SECTION 1. The Legislature finds and declares that Senate Bill 1, enacted as Chapter 2 of the Fifth Extraordinary Session of the Statutes of 2010, requires the local educational agency of a school identified as a persistently lowest achieving school to implement one of four intervention models specified under federal provisions for purposes of implementing the federal Race to the Top program. Pursuant to one of those intervention models, the restart model, a local educational agency would convert a school, or close and reopen a school, under a charter school operator, a charter management organization, or an education management organization.

SEC. 2. Chapter 4.5 (commencing with Section 415) is added to Part 1 of Division 1 of Title 1 of the Education Code, to read:

## Chapter 4.5. Assisting English Learners in Low-Performing Schools

415. (a) If a school district or charter school authorizer intervenes to turn around a persistently lowest-achieving school, including a charter school, pursuant to Section 53202, or if a school, including a charter school, is eligible to be included in the Immediate Intervention/Underperforming Schools Program pursuant to Article 3 (commencing with Section 52053) of Chapter 6.1 of Part 28 of Division 4 of Title 2, and that school has pupils who are English learners, the school district or charter school authorizer shall ensure all of the following:

<del>(a)</del>

- (1) The school shall provide programs and core courses to meet the academic, language, and cultural needs of English learners and language needs of English learners and shall be responsive to cultural differences that may affect a pupil's capacity to succeed academically.
- 33 <del>(b)</del>

- (2) Teachers who are teaching English learners shall be qualifiedto teach English learners.
- 36 <del>(e)</del>

AB 1741 — 4 —

(3) The school shall take action in reaching out to parents and assisting them in being involved in the school and in participating fully as partners in the pupil's education.

(b) The Legislature finds and declares that a school may already have satisfied the requirements specified in paragraphs (1) to (3), inclusive, of subdivision (a) by completing and obtaining approval of a school plan pursuant to subdivision (b) of Section 54004.1 for purposes of allocating economic impact aid funds.

SEC. 3. Section 47605 of the Education Code is amended to read:

47605. (a) (1) Except as set forth in paragraph (2), a petition for the establishment of a charter school within a school district may be circulated by one or more persons seeking to establish the charter school. A petition for the establishment of a charter school shall identify a single charter school that will operate within the geographic boundaries of that school district. A charter school may propose to operate at multiple sites within the school district, as long as each location is identified in the charter school petition. The petition may be submitted to the governing board of the school district for review after either of the following conditions is met:

- (A) The petition has been signed by a number of parents or legal guardians of pupils that is equivalent to at least one-half of the number of pupils that the charter school estimates will enroll in the school for its first year of operation.
- (B) The petition has been signed by a number of teachers that is equivalent to at least one-half of the number of teachers that the charter school estimates will be employed at the school during its first year of operation.
- (2) A petition that proposes to convert an existing public school to a charter school that would not be eligible for a loan pursuant to subdivision (b) of Section 41365 may be circulated by one or more persons seeking to establish the charter school. The petition may be submitted to the governing board of the school district for review after the petition has been signed by not less than 50 percent of the permanent status teachers currently employed at the public school to be converted.
- (3) A petition shall include a prominent statement that a signature on the petition means that the parent or legal guardian is meaningfully interested in having his or her child or ward attend the charter school, or in the case of a teacher's signature, means

\_5\_ AB 1741

that the teacher is meaningfully interested in teaching at the charter school. The proposed charter shall be attached to the petition.

- (4) After receiving approval of its petition, a charter school that proposes to establish operations at one or more additional sites shall request a material revision to its charter and shall notify the authority that granted its charter of those additional locations. The authority that granted its charter shall consider whether to approve those additional locations at an open, public meeting. If the additional locations are approved, they shall be a material revision to the charter school's charter.
- (5) A charter school that is unable to locate within the jurisdiction of the chartering school district may establish one site outside the boundaries of the school district, but within the county in which that school district is located, if the school district within the jurisdiction of which the charter school proposes to operate is notified in advance of the charter petition approval, the county superintendent of schools and the Superintendent are notified of the location of the charter school before it commences operations, and either of the following circumstances exists:
- (A) The school has attempted to locate a single site or facility to house the entire program, but a site or facility is unavailable in the area in which the school chooses to locate.
- (B) The site is needed for temporary use during a construction or expansion project.
- (6) Commencing January 1, 2003, a petition to establish a charter school may not be approved to serve pupils in a grade level that is not served by the school district of the governing board considering the petition, unless the petition proposes to serve pupils in all of the grade levels served by that school district.
- (b) No later than 30 days after receiving a petition, in accordance with subdivision (a), the governing board of the school district shall hold a public hearing on the provisions of the charter, at which time the governing board of the school district shall consider the level of support for the petition by teachers employed by the district, other employees of the district, and parents. Following review of the petition and the public hearing, the governing board of the school district shall either grant or deny the charter within 60 days of receipt of the petition, provided, however, that the date may be extended by an additional 30 days if both parties agree to the extension. In reviewing petitions for the establishment of

AB 1741 -6-

charter schools pursuant to this section, the chartering authority shall be guided by the intent of the Legislature that charter schools are and should become an integral part of the California educational system and that establishment of charter schools should be encouraged. The governing board of the school district shall grant a charter for the operation of a school under this part if it is satisfied that granting the charter is consistent with sound educational practice. The governing board of the school district shall not deny a petition for the establishment of a charter school unless it makes written factual findings, specific to the particular petition, setting forth specific facts to support one or more of the following findings: 

- (1) The charter school presents an unsound educational program for the pupils to be enrolled in the charter school.
- (2) The petitioners are demonstrably unlikely to successfully implement the program set forth in the petition.
- (3) The petition does not contain the number of signatures required by subdivision (a).
- (4) The petition does not contain an affirmation of each of the conditions described in subdivision (d).
- (5) The petition does not contain reasonably comprehensive descriptions of all of the following:
- (A) (i) A description of the educational program of the school, designed, among other things, to identify those whom the school is attempting to educate, what it means to be an "educated person" in the 21st century, and how learning best occurs. The goals identified in that program shall include the objective of enabling pupils to become self-motivated, competent, and lifelong learners.
- (ii) If the proposed school will serve high school pupils, a description of the manner in which the charter school will inform parents about the transferability of courses to other public high schools and the eligibility of courses to meet college entrance requirements. Courses offered by the charter school that are accredited by the Western Association of Schools and Colleges may be considered transferable and courses approved by the University of California or the California State University as creditable under the "A" to "G" admissions criteria may be considered to meet college entrance requirements.
- (B) The measurable pupil outcomes identified for use by the charter school. "Pupil outcomes," for purposes of this part, means

\_7\_ AB 1741

the extent to which all pupils of the school demonstrate that they have attained the skills, knowledge, and attitudes specified as goals in the school's educational program.

- (C) The method by which pupil progress in meeting those pupil outcomes is to be measured.
- (D) The governance structure of the school, including, but not limited to, the process to be followed by the school to ensure parental involvement.
- (E) The qualifications to be met by individuals to be employed by the school.
- (F) The procedures that the school will follow to ensure the health and safety of pupils and staff. These procedures shall include the requirement that each employee of the school furnish the school with a criminal record summary as described in Section 44237.
- (G) The means by which the school will achieve a racial and ethnic balance among its pupils that is reflective of the general population residing within the territorial jurisdiction of the school district to which the charter petition is submitted.
  - (H) Admission requirements, if applicable.
- (I) The manner in which annual, independent financial audits shall be conducted, which shall employ generally accepted accounting principles, and the manner in which audit exceptions and deficiencies shall be resolved to the satisfaction of the chartering authority.
- (J) The procedures by which pupils can be suspended or expelled.
- (K) The manner by which staff members of the charter schools will be covered by the State Teachers' Retirement System, the Public Employees' Retirement System, or federal social security.
- (L) The public school attendance alternatives for pupils residing within the school district who choose not to attend charter schools.
- (M) A description of the rights of any employee of the school district upon leaving the employment of the school district to work in a charter school, and of any rights of return to the school district after employment at a charter school.
- (N) The procedures to be followed by the charter school and the entity granting the charter to resolve disputes relating to provisions of the charter:
- (O) A declaration whether or not the charter school shall be deemed the exclusive public school employer of the employees of

AB 1741 — 8 —

the charter school for the purposes of Chapter 10.7 (commencing
 with Section 3540) of Division 4 of Title 1 of the Government
 Code.

- (P) A description of the procedures to be used if the charter school closes. The procedures shall ensure a final audit of the school to determine the disposition of all assets and liabilities of the charter school, including plans for disposing of any net assets and for the maintenance and transfer of pupil records.
- (Q) If the petitioner reasonably expects that at least 15 percent of the pupils to be served by the charter school will be English learners, a description of all of the following:
- (i) The program design that will provide programs and core courses to meet the academic, language, and cultural needs of English learners at the school.
- (ii) The means by which administrators and staff qualified to teach English learners will be hired at the school.
- (iii) The manner in which a relevant outreach program will be implemented that reaches parents and assists them in being involved in the school and in understanding how the charter school process works.
- (iv) The programs and staffing that will be implemented and designed to enable non-English-speaking parents to participate fully as partners in their children's education at the school.
- (v) If the petitioner currently operates other charter schools, the programs designed for English learners that the petitioner has implemented at other schools it currently operates.
- (c) (1) Charter schools shall meet all statewide standards and conduct the pupil assessments required pursuant to Sections 60605 and 60851 and any other statewide standards authorized in statute or pupil assessments applicable to pupils in noncharter public schools.
- (2) Charter schools shall, on a regular basis, consult with their parents, legal guardians, and teachers regarding the school's educational programs.
- (d) (1) In addition to any other requirement imposed under this part, a charter school shall be nonsectarian in its programs, admission policies, employment practices, and all other operations, shall not charge tuition, and shall not discriminate against any pupil on the basis of the characteristics listed in Section 220. Except as provided in paragraph (2), admission to a charter school shall

-9- AB 1741

not be determined according to the place of residence of the pupil, or of his or her parent or legal guardian, within this state, except that an existing public school converting partially or entirely to a charter school under this part shall adopt and maintain a policy giving admission preference to pupils who reside within the former attendance area of that public school.

- (2) (A) A charter school shall admit all pupils who wish to attend the school.
- (B) However, if the number of pupils who wish to attend the charter school exceeds the school's capacity, attendance, except for existing pupils of the charter school, shall be determined by a public random drawing. Preference shall be extended to pupils currently attending the charter school and pupils who reside in the district except as provided for in Section 47614.5. Other preferences may be permitted by the chartering authority on an individual school basis and only if consistent with the law.
- (C) In the event of a drawing, the chartering authority shall make reasonable efforts to accommodate the growth of the charter school and in no event shall take any action to impede the charter school from expanding enrollment to meet pupil demand.
- (3) If a pupil is expelled or leaves the charter school without graduating or completing the school year for any reason, the charter school shall notify the superintendent of the school district of the pupil's last known address within 30 days, and shall, upon request, provide that school district with a copy of the cumulative record of the pupil, including a transcript of grades or report card, and health information. This paragraph applies only to pupils subject to compulsory full-time education pursuant to Section 48200.
- (e) The governing board of a school district shall not require any employee of the school district to be employed in a charter school.
- (f) The governing board of a school district shall not require any pupil enrolled in the school district to attend a charter school.
- (g) The governing board of a school district shall require that the petitioner or petitioners provide information regarding the proposed operation and potential effects of the school, including, but not limited to, the facilities to be utilized by the school, the manner in which administrative services of the school are to be provided, and potential civil liability effects, if any, upon the school and upon the school district. The description of the facilities to be

AB 1741 — 10 —

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used by the charter school shall specify where the school intends to locate. The petitioner or petitioners shall also be required to provide financial statements that include a proposed first-year operational budget, including startup costs, and cashflow and financial projections for the first three years of operation.

- (h) In reviewing petitions for the establishment of charter schools within the school district, the governing board of the school district shall give preference to petitions that demonstrate the eapability to provide comprehensive learning experiences to pupils identified by the petitioner or petitioners as academically low achieving pursuant to the standards established by the department under Section 54032 as it read prior to July 19, 2006.
- (i) Upon the approval of the petition by the governing board of the school district, the petitioner or petitioners shall provide written notice of that approval, including a copy of the petition, to the applicable county superintendent of schools, the department, and the state board.
- (j) (1) If the governing board of a school district denies a petition, the petitioner may elect to submit the petition for the establishment of a charter school to the county board of education. The county board of education shall review the petition pursuant to subdivision (b). If the petitioner elects to submit a petition for establishment of a charter school to the county board of education and the county board of education denies the petition, the petitioner may file a petition for establishment of a charter school with the state board, and the state board may approve the petition, in accordance with subdivision (b). A charter school that receives approval of its petition from a county board of education or from the state board on appeal shall be subject to the same requirements concerning geographic location to which it would otherwise be subject if it received approval from the entity to which it originally submitted its petition. A charter petition that is submitted to either a county board of education or to the state board shall meet all otherwise applicable petition requirements, including the identification of the proposed site or sites where the charter school will operate.
- (2) In assuming its role as a chartering agency, the state board shall develop criteria to be used for the review and approval of charter school petitions presented to the state board. The criteria shall address all elements required for charter approval, as

-11- AB 1741

identified in subdivision (b) and shall define "reasonably comprehensive" as used in paragraph (5) of subdivision (b) in a way that is consistent with the intent of this part. Upon satisfactory completion of the criteria, the state board shall adopt the criteria on or before June 30, 2001.

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- (3) A charter school for which a charter is granted by either the county board of education or the state board based on an appeal pursuant to this subdivision shall qualify fully as a charter school for all funding and other purposes of this part.
- (4) If either the county board of education or the state board fails to act on a petition within 120 days of receipt, the decision of the governing board of the school district to deny a petition shall, thereafter, be subject to judicial review.
- (5) The state board shall adopt regulations implementing this subdivision.
- (6) Upon the approval of the petition by the county board of education, the petitioner or petitioners shall provide written notice of that approval, including a copy of the petition to the department and the state board.
- (k) (1) The state board may, by mutual agreement, designate its supervisorial and oversight responsibilities for a charter school approved by the state board to any local educational agency in the county in which the charter school is located or to the governing board of the school district that first denied the petition.
- (2) The designated local educational agency shall have all monitoring and supervising authority of a chartering agency, including, but not limited to, powers and duties set forth in Section 47607, except the power of revocation, which shall remain with the state board.
- (3) A charter school that has been granted its charter through an appeal to the state board and elects to seek renewal of its charter shall, prior to expiration of the charter, submit its petition for renewal to the governing board of the school district that initially denied the charter. If the governing board of the school district denies the school's petition for renewal, the school may petition the state board for renewal of its charter.
- (1) Teachers in charter schools shall hold a Commission on Teacher Credentialing certificate, permit, or other document equivalent to that which a teacher in other public schools would be required to hold. These documents shall be maintained on file

AB 1741 — 12 —

at the charter school and are subject to periodic inspection by the chartering authority. It is the intent of the Legislature that charter schools be given flexibility with regard to noncore, noncollege preparatory courses.

(m) A charter school shall transmit a copy of its annual, independent financial audit report for the preceding fiscal year, as described in subparagraph (I) of paragraph (5) of subdivision (b), to its chartering entity, the Controller, the county superintendent of schools of the county in which the charter school is sited, unless the county board of education of the county in which the charter school is sited is the chartering entity, and the department by December 15 of each year. This subdivision does not apply if the audit of the charter school is encompassed in the audit of the chartering entity pursuant to Section 41020.

SEC. 4. Section 47607 of the Education Code is amended to read:

47607. (a) (1) A charter may be granted pursuant to Sections 47605, 47605.5, and 47606 for a period not to exceed five years. A charter granted by a school district governing board, a county board of education or the state board, may be granted one or more subsequent renewals by that entity. Each renewal shall be for a period of five years. A material revision of the provisions of a charter petition may be made only with the approval of the authority that granted the charter. The authority that granted the charter may inspect or observe any part of the charter school at any time.

- (2) Renewals and material revisions of charters are governed by the standards and criteria in Section 47605, and shall include, but not be limited to, a reasonably comprehensive description of any new requirement of charter schools enacted into law after the charter was originally granted or last renewed.
- (b) Commencing on January 1, 2005, or after a charter school has been in operation for four years, whichever date occurs later, a charter school shall meet at least one of the following criteria prior to receiving a charter renewal pursuant to paragraph (1) of subdivision (a):
- (1) Attained its Academic Performance Index (API) growth target in the prior year or in two of the last three years, or in the aggregate for the prior three years.

-13- AB 1741

(2) Ranked in deciles 4 to 10, inclusive, on the API in the prior year or in two of the last three years.

- (3) Ranked in deciles 4 to 10, inclusive, on the API for a demographically comparable school in the prior year or in two of the last three years.
- (4) (A) The entity that granted the charter determines that the academic performance of the charter school is at least equal to the academic performance of the public schools that the charter school pupils would otherwise have been required to attend, as well as the academic performance of the schools in the school district in which the charter school is located, taking into account the composition of the pupil population that is served at the charter school.
- (B) The determination made pursuant to this paragraph shall be based upon all of the following:
  - (i) Documented and clear and convincing data.
- (ii) Pupil achievement data from assessments, including, but not limited to, the Standardized Testing and Reporting Program established by Article 4 (commencing with Section 60640) for demographically similar pupil populations in the comparison schools.
  - (iii) Information submitted by the charter school.
- (iv) If at least 15 percent of the pupils served by the charter school are English learners, the degree to which the school has implemented the programs specified in subparagraph (Q) of paragraph (5) of subdivision (b) of Section 47605.
- (C) A chartering authority shall submit to the Superintendent copies of supporting documentation and a written summary of the basis for any determination made pursuant to this paragraph. The Superintendent shall review the materials and make recommendations to the chartering authority based on that review. The review may be the basis for a recommendation made pursuant to Section 47604.5.
- (D) A charter renewal may not be granted to a charter school prior to 30 days after that charter school submits materials pursuant to this paragraph.
- (5) Has qualified for an alternative accountability system pursuant to subdivision (h) of Section 52052.
- (c) A charter may be revoked by the authority that granted the charter under this chapter if the authority finds, through a showing

AB 1741 — 14 —

1 of substantial evidence, that the charter school did any of the 2 following:

- (1) Committed a material violation of any of the conditions, standards, or procedures set forth in the charter.
- (2) Failed to meet or pursue any of the pupil outcomes identified in the charter.
- (3) Failed to meet generally accepted accounting principles, or engaged in fiscal mismanagement.
  - (4) Violated any provision of law.
- (d) Prior to revocation, the authority that granted the charter shall notify the charter public school of any violation of this section and give the school a reasonable opportunity to remedy the violation, unless the authority determines, in writing, that the violation constitutes a severe and imminent threat to the health or safety of the pupils.
- (e) Prior to revoking a charter for failure to remedy a violation pursuant to subdivision (d), and after expiration of the school's reasonable opportunity to remedy without successfully remedying the violation, the chartering authority shall provide a written notice of intent to revoke and notice of facts in support of revocation to the charter school. No later than 30 days after providing the notice of intent to revoke a charter, the chartering authority shall hold a public hearing, in the normal course of business, on the issue of whether evidence exists to revoke the charter. No later than 30 days after the public hearing, the chartering authority shall issue a final decision to revoke or decline to revoke the charter, unless the chartering authority and the charter school agree to extend the issuance of the decision by an additional 30 days. The chartering authority shall not revoke a charter, unless it makes written factual findings supported by substantial evidence, specific to the charter school, that support its findings.
- (f) (1) If a school district is the chartering authority and it revokes a charter pursuant to this section, the charter school may appeal the revocation to the county board of education within 30 days following the final decision of the chartering authority.
- (2) The county board may reverse the revocation decision if the county board determines that the findings made by the chartering authority under subdivision (e) are not supported by substantial evidence. The school district may appeal the reversal to the state board.

\_15\_ AB 1741

(3) If the county board does not issue a decision on the appeal within 90 days of receipt, or the county board upholds the revocation, the charter school may appeal the revocation to the state board.

- (4) The state board may reverse the revocation decision if the state board determines that the findings made by the chartering authority under subdivision (e) are not supported by substantial evidence. The state board may uphold the revocation decision of the school district if the state board determines that the findings made by the chartering authority under subdivision (e) are supported by substantial evidence.
- (g) (1) If a county office of education is the chartering authority and the county board revokes a charter pursuant to this section, the charter school may appeal the revocation to the state board within 30 days following the decision of the chartering authority.
- (2) The state board may reverse the revocation decision if the state board determines that the findings made by the chartering authority under subdivision (e) are not supported by substantial evidence.
- (h) If the revocation decision of the chartering authority is reversed on appeal, the agency that granted the charter shall continue to be regarded as the chartering authority.
- (i) During the pendency of an appeal filed under this section, a charter school, whose revocation proceedings are based on paragraph (1) or (2) of subdivision (c), shall continue to qualify as a charter school for funding and for all other purposes of this part, and may continue to hold all existing grants, resources, and facilities, in order to ensure that the education of pupils enrolled in the school is not disrupted.
- (j) Immediately following the decision of a county board to reverse a decision of a school district to revoke a charter, the following shall apply:
- (1) The charter school shall qualify as a charter school for funding and for all other purposes of this part.
- (2) The charter school may continue to hold all existing grants, resources, and facilities.
- (3) Any funding, grants, resources, and facilities that had been withheld from the charter school or that the charter school had otherwise been deprived of use as a result of the revocation of the charter shall be immediately reinstated or returned.

AB 1741 — 16 —

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(k) A final decision of a revocation or appeal of a revocation pursuant to subdivision (c) shall be reported to the chartering authority, the county board, and the department.

4 SEC. 5.
5 SEC. 2. If the Commission on State Mandates determines that this act contains costs mandated by the state, reimbursement to local agencies and school districts for those costs shall be made pursuant to Part 7 (commencing with Section 17500) of Division 4 of Title 2 of the Government Code.